

**MINUTES OF THE
JOINT PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE
THURSDAY, JANUARY 31, 2008, 2:00 P.M.
Room W135, West Office Building, State Capitol Complex**

Members Present: Sen. Howard A. Stephenson, Co-Chair
Rep. Bradley G. Last, Co-Chair
Sen. Lyle W. Hillyard
Sen. Patricia W. Jones
Sen. Kevin T. Van Tassell
Rep. Tim M. Cosgrove
Rep. Brad L. Dee
Rep. Lorie D. Fowlke
Rep. Gage Froerer
Rep. Ronda Rudd Menlove
Rep. Karen W. Morgan
Rep. Phil Riesen

Members Absent: Rep. Gregory H. Hughes
Rep. Aaron Tilton
Rep. Carl Wimmer

Staff Present: Ben Leishman, Legislative Fiscal Analyst
Patrick Lee, Legislative Fiscal Analyst
Cherie Schmidt, Secretary

Public Speakers Present: Dr. Chuck Foster, Specialist, American Indian Education
Nola Lodge, Clinical Instructor, University of Utah
Janice Jones Schraedr
Mary Shumway, Director, CTE, USOE
Judy Park, Associate Superintendent, USOE
Brenda Hales, Associate Superintendent, USOE
Mike Peterson
Sen. Darin Peterson
Rep. Ronda Menlove
Rep. Sheryl Allen
Rep. Carol Spackman Moss
Rep. Wayne Harper
Rep. John Dougall
Rep. Karen Morgan
Timothy Smith, Superintendent, USDB
Gwyneth Kenner, Parent, USDB
Josh Kenner, Student, USDB
Todd Hauber, Former Finance Director, USDB

Dr. Jennifer Howell
Quinn Price, High School Student
Andrea Rorrer, UEPC Director
Nan Gray, State Director, Special Education, USOE
Larry Newton, School Finance Director, State Office of Education
Kim Daley, Paraeducator, West High School
Shauna Hysler, Special Education Teacher, West High School

A list of visitors and a copy of handouts are filed with the Committee minutes.

Committee Co-Chair Stephenson called the meeting to order at 2:25 p.m.

1. **Indigenous Language** - This item was not included on the agenda; but because the presenters had traveled to the Subcommittee meeting today, they were given time to present this item. Superintendent Hales introduced Dr. Chuck Foster who is the Specialist for American Indian Education. Dr. Foster indicated that there is a significantly lower performance by Utah American Indians as compared to any other Utah students. He stated that research demonstrates that American Indians who are grounded in their languages and cultures have high academic performances. There is an initiative to provide these languages to five tribes in the State of Utah. Dr. Foster gave his support for this initiative. Nola Lodge who is a Clinical Instructor for the University of Utah gave her testimony in support of this initiative. A student from the University of Utah also gave her support for this initiative. Janice Jones Schraedr also addressed the Subcommittee and gave support for this initiative. Co-Chair Stephenson voiced his concern that Native American students obtain the best possible education they can. The requested appropriation for this initiative is \$275,000. Superintendent Hales referred to a handout entitled, *American-Indian Education Program, Utah State Office of Education, Indigenous Heritage Language*, which states that according to the Utah State Criteria Reference Test (CRT) data report, the achievement gap between the Navajo and Caucasian students regarding the CRT's results indicated a gap of 45 percent in Language Arts, 48 percent in Math, and 57 percent in Science. This report was used as a benchmark at the beginning of the academic year. However, where the students were immersed in the Navajo Language classes during the academic year and were given the same CRT, the students at the end of the academic year had improved. This is significant for students to become more confident, academically competitive, and retain their cultural language.
2. **Online Testing in CTE Program** - Mary Shumway, Director CTE, USOE, addressed the Subcommittee with an update on online testing. Ms. Shumway indicated that from 12

years ago to today, online testing has increased from testing 5,000 students to administering 180,000 every year in grades 9-12. Currently, there are 120 tests that have been developed. Of the \$350,000 appropriation, \$160,000 was spent on Testing and Technology Services, \$174,000 in Online Exam Enhancements and Availability, and \$15,000 in Increased Online Exam Delivery. Ms. Shumway also stated that as of the end of semester last week, 71 percent of tests were administered online, and 160,000 tests were met out of 180,000 tests. The requested CTE Online Assessment Request for Ongoing Funds is \$550,000. This represents \$100,000 for Testing and Technology and Service, \$250,000 for Online Exam Enhancements and Availability, and \$200,000 for Increased Online Exam Delivery. Co-Chair Stephenson asked that a report be given during the summer interim meeting indicating to what degree tests are the flat quiz type and which ones are more valid.

3. **Online Testing - School District Readiness Update** - Associate Superintendent Park began her presentation by referring to a handout entitled, *21st Century Technology to Support Student Achievement*. She indicated from the handout that 100 percent computer-based testing for criterion-referenced tests (CRT) is dependent upon ongoing funding for the following:

- Computer-based contracts for increased student volume and accommodations
- Hardware acquisition and replacement
- Infrastructure and facilities
- Bandwidth
- Technical support

This online testing does not include second grade testing or students with specific special needs, such as Braille or medical exceptions. The handout also details three funding options for reaching the goal of 100 percent online testing. These options are based on two funding requests. One is for \$50 million ongoing for the 21st Century Teaching and Learning, and the other is for \$3.2 million ongoing test software and accommodations for USOE. Superintendent Park indicated that due to infrastructure and facilities, 100 percent computer-based testing will not be possible in 2009 but should be in place in 2010.

Mike Peterson addressed the Subcommittee concerning the bandwidth needed for the computer-based testing. Mr. Peterson indicated that one-half of the elementary schools have connectivity to the network that is a T1 line. This type of connectivity is adequate. Fiber optic connections or wireless connectivity is needed. It is proposed that UEN be funded \$700,000 in ongoing funding this year. They would then undertake a multi-year project to provide the needed bandwidth capacity for elementary schools and charter

schools over the next three years. This would total \$2.1 million over the three-year period. There is also a request for \$500,000 one-time funding.

4. Presentation of Bills with Fiscal Impact - Bills were presented to the Subcommittee from the various Senators and Representatives.

Sen. Peterson presented S.B. 118 Education Transportation Amendments. This bill makes changes to pupil transportation costs based on an audited financial report. Larry Newton, School Finance Director, State Office of Education, stated that the \$9.1 million requested for this bill and the request that came from the State Office of Education is a replacement of \$8 million in one-time money from last year. There is also a request for \$175,000 to make an adjustment to the Pupil Special Transportation Levy Guarantee. This means that when a district makes an effort for the special transportation, the districts with the least ability to pay would receive some additional assistance. This is part of the budget request from the State Office of Education.

Rep. Menlove presented H.B. 66 Paraeducator to Teacher Scholarship Program. This bill creates a program to award scholarships to paraeducators for education and training to become a licensed teacher. Kim Daley who is Paraeducator at West High School gave her testimony in support of this bill.

Rep. Menlove also presented H.B. 67 Extended Year for Special Educators. This provides stipends for special educators for additional days of work. Nan Gray, State Director of Special Education, USOE, and Andrea Rorrer, UEPC Director, spoke in support of this bill. A handout entitled, *Utah State Special Attrition Data*, was also given to the Subcommittee members. Shauna Hysler, Special Education Teacher at West High School gave her support for this bill.

Rep. Allen presented H.B. 240 Public Education Funding - Block Grant Amendments. This bill modifies the Minimum School Program by requiring appropriations for certain block grant programs to increase annually by the percentage increase in value of the WPU. The fiscal note attached to this bill is \$214,000.

Rep. Moss presented H.B. 84 Compensation of Educators with National Board Certification. This bill provides compensation for educators who have received National Board Certification and includes a \$1,500 match to the State Office of Education. The fiscal note is for \$275,000 ongoing funding.

Rep. Harper and Rep. Dougall presented a proposal for Homeowner Property Tax Relief and School Funding Equalization. Rep. Harper stated that currently in State Code, it is required that local school districts impose up to 13 different leeways in order to have

additional money for transportation, recreation, etc. The proposal collapses 11 of those 13 into one single item which is called the School District Discretionary Voted Property Tax Levy. By doing this, the school districts would have more flexibility and would enhance local control. The \$250 million basic levy would remain in place. The state sales and use tax on non-food purchases will be increased by 1.65 percent. Revenue from this rate is estimated to yield about \$600 million and will be earmarked for the Minimum School Program. The proposal also provides other provisions. For the 2008-2010 tax years only a taxing entity may not impose a property tax rate that exceeds its certified rate and may not authorize the issuance of a general obligation bond.

Rep. Dougall presented H.B. 69 Repeal of Board Leeway for Reading. This bill modifies the funding of the K-3 Reading Improvement Program. This bill appropriates as an ongoing appropriation subject to future constraints, \$20,000,000 from the Uniform School Fund for fiscal year 2008-09 to the State Board of Education.

Rep. Morgan presented a proposal for a \$26 million appropriation to create a new K-3 Class Size Reduction Incentive Program. Schools who have average classes above the targeted number would be able to submit proposals to receive these grants. This would be determined by their Fall 2007 average class size, not pupil-teacher ratios. Basically any school that had an average class size in any of the grades K-3 could apply for a grant out of this fund. Grants would be awarded according to the greatest need.

5. **Analyst Budget Presentation - Utah Schools for the Deaf and Blind** - Patrick Lee, Legislative Fiscal Analyst, first referred to the Budget Brief - Utah Schools for the Deaf and Blind. He referred to the *Teacher Base, Step and Lane Increases*. The Analyst recommends the Legislature appropriate \$432,600 in FY 2009 for USDB teacher salary adjustments.

For *Facility Leases*, the Analyst recommends the Legislature appropriate \$264,800 in one-time Uniform School Funds to the USDB for the one-year extension of the JMS lease. Once a more permanent location is found, the Analyst will bring this issue back to the Legislature.

For the *Utah State Instructional Materials Access Center (USIMAC)*, the Analyst recommends establishing the USIMAC at USDB by making an ongoing appropriation of \$505,200 for hardware and software, and two FTEs, and for production materials and maintenance.

In the area of *Support Services Caseload Increases*, the federal Individuals with Disabilities Act (IDEA) sets certain standards for educational services provided by USDB to children receiving direct services. All these services are required through

Individual Education Plan (IEP) contracts. Currently, USDB is not reaching the required standards. The USDB has requested \$444,100 in ongoing money from the Uniform School Fund for 7.4 FTE as follows:

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| Registered Nurses: | 1.7 FTE, \$107,400 |
| Psychologist: | 2.0 FTE, \$137,200 |
| Interpreters: | 2.7 FTE, \$144,400 |
| O&M Specialist: | 1.0 FTE, \$55,100 |

The Analyst recommends the Legislature appropriate \$299,700 in ongoing money from the Uniform School Fund for USDB's request except for the 2.7 educational interpreters. This should help cover the most critical needs as determined by IDEA.

The next issue discussed was the Budget Brief - USDB Institutional Council. The Utah Schools for the Deaf and Blind - Institutional Council acts as an advisory panel to the State Board of Education and State Superintendent when considering the educational needs of the deaf, blind, and deaf/blind students in the state. The total ongoing budget for this program is \$600,000. All of the USDB - Institutional Council revenue comes from dedicated credits. The Analyst recommends that the Legislature consider reaffirm the base budget amount of \$600,000 in dedicated credits revenue for the Utah Schools for the Deaf and Blind - Institutional Council.

6. **Analyst Budget Presentation - Education Contracts** - Mr. Lee also presented the Budget Brief - Education Contracts. This program provides funding for the education of students in state custody. The Utah State Board of Education contracts with various local school districts to provide educational services to these students. The ongoing base budget for this program is just under \$3.9 million for FY 2009. FY 2009 base budget revenue for the Youth Center totals \$1,153,200 and base budget revenue for Corrections Institutions totals \$2,701,600. A budget history provided in this brief indicates a constant and static trend across the past five years in terms of education contracts as well as the increase in inmates. The number of individuals served has increased over the years though funding has remained constant. The Analyst recommends that the Legislature consider placing on the priority list an ongoing appropriation of \$162,100 from the Uniform School Fund for Corrections Education and also placing on the priority list an ongoing appropriation of \$69,200 from the Uniform School Fund for the Youth Center Contract Increase.
7. **Analyst Budget Presentation - Child Nutrition Programs** - Mr. Lee referred to the Budget Brief - Child Nutrition Programs. This brief details and outlines the Child Nutrition Programs as well as the base budget for the coming year. The majority of funding comes through federal funds that are passed on to these programs. The Analyst

recommends that the Legislature consider reaffirming the base budget amount of \$129,163,200 for the Child Nutrition Programs.

8. **Agency Comment & Recommendations** - Timothy Smith, Superintendent, USDB introduced this agenda item. Superintendent Smith indicated that remarks were in relation to the Schools for the Deaf and Blind Related Services increases. Gwyneth Kenner and her son Josh gave testimony in support of these services. This Building Block is for ongoing - \$444,100.

Todd Hauber, former Finance Director for USDB, spoke on the Building Block USDB Base, Step, and Lane Increases. This Building Block is for ongoing - \$500,000.

Dr. Jennifer Howell and Quinn Price, a high school student, spoke on the Building Block USIMAC Utah State Instructional Materials Access Center. This Building Block is for ongoing - \$539,700. The Access Center is Utah's avenue for providing students with accessible textbooks for those students who have visual, physical, or learning disabilities. The students have access to audio text, digital text, Braille, and large print.

Superintendent Smith presented the last Building Block which deals with buildings and the need for lease money. USDB is working hard to help find a temporary solution for students at JMS and the Connor Street schools. The funding request is for an ongoing amount of \$660,000 in lease money.

9. **Other Committee Business** - There was no other Subcommittee business.

10. **Adjourn**

MOTION: Rep. Menlove moved to adjourn the meeting.

Co-Chair Last adjourned the meeting at 5:10 p.m.

Minutes were reported by Cherie Schmidt, Secretary

Sen. Howard Stephenson, Co-Chair

Rep. Bradley G. Last, Co-Chair